## **Introduced by Senator Padilla**

February 21, 2013

An act to amend Section 1341.1 of the Health and Safety Code, relating to health care coverage. 398.4 of the Public Utilities Code, relating to energy.

## LEGISLATIVE COUNSEL'S DIGEST

SB 456, as amended, Padilla. Health care coverage. Disclosure of sources of electrical generation.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined, while local publicly owned electric utilities, as defined, are under the direction of their governing board. Existing law establishes a program under which retail suppliers of electricity, including electrical corporations and local publicly owned electric utilities, disclose accurate, reliable, and simple to understand information on the sources of energy that are used to provide electric services.

This bill would require that the information disclosed include the total electricity purchases derived from generation sources within the state and total electricity purchases derived from generation sources that are located outside the state as well as the percentage of annual sales of electricity that was dispatched from an energy storage system, as defined.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care, and makes a willful violation of its provisions a crime. Existing law provides for the

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establishment and operation of a principal office and branch offices of the Director of the Department of Managed Health Care.

This bill would make technical, nonsubstantive changes to that provision.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 398.4 of the Public Utilities Code is 2 amended to read:

398.4. (a) Every retail supplier that makes an offering to sell electricity that is consumed in California shall disclose its electricity sources for the previous calendar year.

- (b) The disclosures required by this section shall be made to potential end-use consumers in all product-specific written promotional materials that are distributed to consumers by either printed or electronic means, including the retail supplier's Internet Web site, if one exists, except that advertisements and notices in general circulation media shall not be subject to this requirement.
- (c) The disclosures required by this section shall be made annually to end-use consumers of the offered electricity. The annual disclosure shall be made by the end of the first complete billing cycle for the third quarter of the year, and shall be consistent with information provided to the Energy Commission pursuant to Section 398.5.
- (d) The disclosures required by this section shall be made separately for each offering made by the retail supplier.
- (e) On or before January 1, 1998, the Energy Commission shall specify guidelines for the format and means for disclosure required by Section 398.3 and this section, based on the requirements of this article and subject to public hearing.
- (f) The costs of making the disclosures required by this section shall be considered to be generation related.
- (g) The disclosures required by this section shall comply with the following:
- (1) A retail supplier's disclosure of its electricity sources shall be expressed as a percentage of annual sales derived from each of the following categories:
- (A) Unspecified sources of electricity.

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- (B) Specific purchases.
- 2 (2) A retail supplier's disclosure of its electricity sources shall 3 also separately identify total California system electricity, which 4 is the sum of all in-state generation and net electricity imports by 5 fuel type.
  - (3) A retail supplier's disclosure of its electricity sources shall identify the total electricity purchases derived from generation sources within the state and total electricity purchases from generation sources that are located outside the state.
  - (h) Each of the categories specified in subdivision (g) shall be additionally identified as a percentage of annual sales that is derived from the following fuels or sources of energy:
    - (1) Coal

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- (2) Large hydroelectric (greater than 30 megawatts).
- 15 (3) Natural gas.
- 16 (4) Nuclear.
- 17 (5) Eligible renewable energy resources pursuant to the 18 California Renewables Portfolio Standard Program (Article 16 19 (commencing with Section 399.11)), including any of the 20 following:
- 21 (A) Biomass and biowaste.
- (B) Geothermal.
- 23 (C) Eligible hydroelectric.
- 24 (D) Solar.
- 25 (E) Wind.
- 26 (6) Electricity dispatched from an energy storage system, as defined in Section 2835.
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- 29 (7) Other categories as determined by the Energy Commission.
  - (i) All electricity sources disclosed as specific purchases shall meet the requirements of subdivision (c) of Section 398.2.
  - (j) Specific purchases identified pursuant to this section shall be from sources connected to the Western Electricity Coordinating Council interconnected grid.
  - (k) Compliance with this section by a local publicly owned electric utility shall constitute compliance with paragraph (2) of subdivision (b) of Section 387 subdivision (l) of Section 399.30.
- 38 (*l*) The provisions of this This section shall not apply to generators providing electric service onsite, under an over-the-fence

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transaction as described in Section 218, or to an affiliate or affiliates, as defined in subdivision (a) of Section 372.

SECTION 1. Section 1341.1 of the Health and Safety Code is amended to read:

1341.1. The director shall have his or her principal office in the City of Sacramento, and may establish branch offices in the City and County of San Francisco, in the City of Los Angeles, and in the City of San Diego. The director shall from time to time obtain the necessary furniture, stationery, fuel, light, and any other proper convenience for the transaction of the business of the

11 Department of Managed Health Care.